

1 Frank E. Scherkenbach (SBN 142549)
scherkenbach@fr.com
2 Kurt L. Glitzenstein (pro hac vice)
glitzenstein@fr.com
3 FISH & RICHARDSON P.C.
One Marina Park Drive
4 Boston, MA 02210
Telephone: (617) 542-5070
5 Facsimile: (617) 542-8906

6 Attorneys for Defendant
MICROSOFT CORPORATION

7 *Additional counsel listed on signature page*
8

9 UNITED STATES DISTRICT COURT
10 NORTHERN DISTRICT OF CALIFORNIA
11 (SAN JOSE DIVISION)
12

13 SENTIUS INTERNATIONAL, LLC,
14 Plaintiff,
15 v.
16 MICROSOFT CORPORATION,
17 Defendant.

18 AND RELATED COUNTERCLAIMS
19
20
21
22
23
24
25
26
27
28

Case No. 5:13-cv-00825 PSG

**DEFENDANT MICROSOFT
CORPORATION'S MOTION FOR
SUMMARY JUDGMENT OF NO
INFRINGEMENT (DIRECT, INDIRECT,
OR WILLFUL)**

DATE: January 13, 2015
TIME: 10:00 a.m.
JUDGE: Hon. Paul S. Grewal

TABLE OF CONTENTS

		Page(s)
1		
2		
3	I. INTRODUCTION	1
4	II. STATEMENT OF FACTS	3
5	A. The Reissue Patents.....	3
6	B. The Court’s Claim Construction Order.....	5
7	C. The Accused Products.....	6
8	D. The Prior Contacts between Sentius and Microsoft.....	7
9	III. STATEMENT OF LAW	8
10	A. Summary Judgment.....	8
11	B. Infringement.....	8
12	1. Literal Infringement	8
13	2. Infringement under the Doctrine of Equivalents.....	9
14	3. Direct Versus Indirect Infringement	9
15	C. Willful Infringement	10
16	IV. ARGUMENT	11
17	A. The Accused Background Spell and Grammar Check	
18	Functionalities Do Not Infringe Because They Do Not Use the	
19	Claimed Look-Up Table	11
20	B. Sentius Relied Upon Non-Operable Code in Office 2010 and	
21	2013 as Allegedly Infringing the Asserted Method Claims.....	14
22	C. Sentius Cannot Meet Its Burden to Prove Direct Infringement	15
23	D. Sentius Cannot Meet Its Burden to Prove Pre-Suit Indirect	
24	Infringement.....	16
25	E. Sentius Cannot Meet Its Burden to Prove Willful Infringement.....	17
26	1. Sentius’ Purported Pre-Suit Contacts With Microsoft Do	
27	Not Support a Claim of Willful Infringement As a Matter	
28	of Law	17
	2. Microsoft’s Good-Faith Defenses Preclude a Finding of	
	Willful Infringement as a Matter of Law	18
	V. CONCLUSION	20

TABLE OF AUTHORITIES

Page(s)

Cases

<i>AquaTex Indus. v. Techniche Solutions</i> , 419 F.3d 1374 (Fed. Cir. 2005).....	9
<i>Aristocrat Techs. Austl. PTY Ltd. v. Int’l Game Tech.</i> , 709 F.3d 1348 (Fed. Cir. 2013).....	9
<i>Aro Mfg. Co. v. Convertible Top Replacement Co.</i> , 377 U.S. 476 (1964).....	10
<i>Bard Peripheral Vascular, Inc. v. W.L. Gore & Assocs.</i> , 682 F.3d 1003 (Fed. Cir. 2012).....	19
<i>Barmag Barmer Maschinenfabrik AG v. Murata Mach., Ltd.</i> , 731 F.2d 831 (Fed. Cir. 1984).....	8
<i>Bayer AG v. Elan Pharma. Res. Corp.</i> , 212 F.3d 1241 (Fed. Cir. 2000).....	8, 9
<i>Conopco, Inc. v. May Dep’t Stores Co.</i> , 46 F.3d 1556 (Fed. Cir. 1994).....	11
<i>Depuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.</i> , 567 F.3d 1314 (Fed. Cir. 2009).....	9
<i>DSU Med. Corp. v. JMS Co.</i> , 471 F.3d 1293 (Fed. Cir. 2006).....	10
<i>Emblaze Ltd. v. Apple Inc.</i> , 2014 U.S. Dist. LEXIS 57893 (N.D. Cal. April 24, 2014)	18, 19
<i>Global-Tech Appliances, Inc. v. SEB S.A.</i> , 131 S. Ct. 2060 (2011)	10, 17
<i>In re Seagate Tech., LLC</i> , 497 F.3d 1360 (Fed. Cir. 2007).....	10
<i>Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.</i> , 381 F.3d 1111 (Fed. Cir. 2004).....	8
<i>Lockheed Martin Corp. v. Space Systems/Loral, Inc.</i> , 249 F.3d 1314 (Fed. Cir. 2001).....	9
<i>Mas-Hamilton Group v. LaGard, Inc.</i> , 156 F.3d 1206 (Fed. Cir. 1998).....	8
<i>Multiform Desiccants, Inc. v. Medzam Ltd.</i> , 133 F.3d 1473 (Fed. Cir. 1998).....	13

1	<i>Muniauction, Inc. v. Thomson Corp.</i> ,	
2	532 F.3d 1318 (Fed. Cir. 2008).....	9, 10
3	<i>Pause Tech. LLC v. TiVo Inc.</i> ,	
4	419 F.3d 1326 (Fed. Cir. 2005).....	8
5	<i>Plumley v. Mockett</i> ,	
6	836 F. Supp. 2d 1053 (C.D. Cal. 2010).....	18
7	<i>Robocast, Inc. v. Microsoft Corp.</i> ,	
8	2014 U.S. Dist. LEXIS 22331 (D. Del. Feb. 21, 2014)	19
9	<i>Tarkus Imaging, Inc. v. Adobe Sys.</i> ,	
10	867 F. Supp. 2d 534 (D. Del. 20120)	18
11	<i>Warner-Jenkinson Co. v. Hilton Davis Chem. Co.</i> ,	
12	520 U.S. 17 (1997)	9

Statutes

13	35 U.S.C. § 271	9, 10
14	Fed. R. Civ. P. 56	8

1 PLEASE TAKE NOTICE that on January 13, 2015, at 10:00 a.m., Defendant Microsoft
2 Corporation (“Microsoft”) will and hereby does move the Court for summary judgment that it
3 does not infringe the asserted claims of the Sentius reissue patents.

4 **I. INTRODUCTION**

5 The two Sentius reissue patents claim a very specific data structure: a “look-up table” that
6 includes, among other things, “a pointer to data or information or the location of data or
7 information that is external to the source material.” One purported advantage of this “look-up
8 table” is that it avoids the need to search for the desired external content upon each click of a word
9 in a document by a user. For example, if a user wants to know the translation for a particular
10 Japanese character in a document, the “look-up table” claimed in the Sentius reissue patents points
11 to the translation for that specific character, eliminating the need to search through the entire
12 Japanese-English dictionary for the translation.

13 The accused background spell check and background grammar check features do not use
14 the claimed “look-up table.” Before a user right-clicks on a word or phrase that is flagged as
15 potentially incorrect, the accused products (Microsoft Word, PowerPoint, Outlook, OneNote, and
16 Publisher) have no idea whether any potential corrections even exist, let alone what they are. Each
17 time a user right-clicks on a word or phrase, the accused products must perform a new search of
18 the entire spelling dictionary or complete set of grammatical rules to identify potential corrections.
19 This is by design. It makes little sense to maintain a “pointer” to a particular potential spelling or
20 grammatical correction because there are often many potential corrections that the user might
21 choose from. Conversely, just because a word or phrase is not recognized by the spelling or
22 grammar engine, it may nevertheless be correct, leading to the familiar situation where the user
23 simply ignores the indication that there might be an error in the text. Indeed, some words or
24 phrases may have no suggested corrections. That is why, rather than maintaining a “look-up
25 table” with pointers to the specific potential corrections, Microsoft simply notes which portions of
26 the text are potentially incorrect, without wasting system resources to immediately determine what
27 the potential corrections are. Potentially incorrect words or phrases are simply marked with an
28 error flag, *i.e.*, a binary zero (0) or one (1) indicating that a range of text may contain an error. It

1 is not until after a user right-clicks on a particular word or phrase that the accused products
2 conduct a search to determine what the potential corrections may be. Because there is no genuine
3 dispute that the accused spell and grammar check features do not use the claimed “look-up table,”
4 the Court should grant summary judgment that those accused features do not infringe the Sentius
5 reissue patents.¹

6 Additionally, Sentius has not met its burden to prove that Microsoft directly infringed the
7 reissue patents, or that Microsoft indirectly infringed prior to the filing of this lawsuit. The two
8 asserted reissue patents contain only method claims. That means in order to show direct
9 infringement, Sentius must show that someone within Microsoft actually carried out each and
10 every step of the claimed methods in the United States during the period when the patents were in
11 force. Sentius has no such evidence. With respect to indirect infringement, Sentius must show
12 that Microsoft had knowledge of the asserted patents. Sentius did not notify Microsoft of the
13 asserted patents before the filing of this lawsuit.

14 Finally, with respect to willfulness, Sentius has raised an allegation that relies upon two
15 pre-suit contacts between Sentius and Microsoft that occurred in 1998 and 2003. Yet the first of
16 the asserted patents did not issue until 2009. One cannot “willfully” infringe a patent that does not
17 exist. Also, Sentius acknowledged (through its 30(b)(6) witness and named inventor Marc
18 Bookman) that it never gave Microsoft any confidential technical information during any of those
19 meetings. Even assuming, contrary to the chronological facts, that Microsoft was told about the
20 asserted patents during those meetings, Microsoft’s good faith defenses of non-infringement and
21 invalidity in this suit are more than sufficient to overcome Sentius’ willful infringement allegation
22 as a matter of law.

23 For these reasons, and for the reasons discussed below, the Court should grant Microsoft’s
24 motion.

27 ¹ As discussed below, the accused “actions” functionality in Office 2010 and 2013 also does not
28 use the claimed “look-up table.” In those two versions of Office, no table is created prior to
the “selection” of a particular word by a user, and thus there can be no infringement of any
asserted claims.

II. STATEMENT OF FACTS

On February 22, 2013, Plaintiff Sentius International, LLC (“Sentius”) filed this patent infringement lawsuit against Defendant Microsoft Corp. (“Microsoft”). [Docket No. 1.] Sentius asserted four patents in its complaint: U.S. Pat. No. RE40,731 (the “’731 patent”), U.S. Pat. No. RE43,633 (the “’633 patent”), U.S. Pat. No. 7,672,985 (the “’985 patent”), and U.S. Pat. No. 8,214,349 (the “’349 patent”). [*Id.*] Sentius withdrew the ’349 patent on April 28, 2014. [Docket No. 88.] Sentius withdrew the ’985 patent on November 25, 2014. [Docket No. 127.]²

A. The Reissue Patents

The Sentius reissue patents purport to describe “a novel indexing scheme that is useful in such applications as learning a foreign language, for example a language based upon an ideographic alphabet, such as Japanese.” [’731 patent at 1:15-20.] The patents offer a two-step solution in order to provide “a more effective way for people to read and improve their command of the foreign language, while at the same time communicating insightful and relevant cultural, social, and economic information about the country.” [*Id.* at 3:58-63.] First, the patents describe creating an “index” or “look-up table” that “allows word-by-word access to any of several external multi-media references.” [*Id.* at 4:28-30.] Second, the patents recite using the “index” or “look-up table” to locate the desired external reference material in response to a user’s selection of a specific word in the original document. [*Id.* at 7:40-50.]

The reissue patents state that each word in the source material is identified by its offset within the source document. [*Id.* at 5:5-6:45 & 7:1-10.] For example, the word “fox” in the following sentence has a starting position of 16 and an ending position of 18:

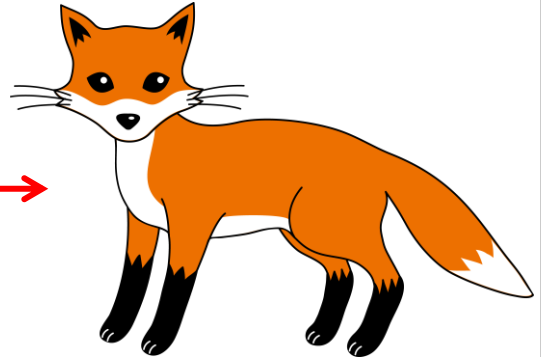
0	10	20	30	40
The	quick	brown	fox	jumps
			over	the
				lazy
				dog.

The patents describe the process for creating a “look-up table,” which stores the offset for the start and end of each word, along with “links” to external content associated with the word. [*Id.* at 5:5-

² The ’731 and ’633 patents will be referred to collectively as the “reissue patents” or as the “patents-in-suit.” Copies of the patents were attached to Sentius’ complaint. [Docket No. 1.]

6:45, 7:11-20, Figure 2.] For example, the look-up table could store the starting and ending address for the word “fox” in the sentence shown above, with a link to a picture of a fox, as illustrated below:

Start	End	Link
16	18	<c:\fox.gif>



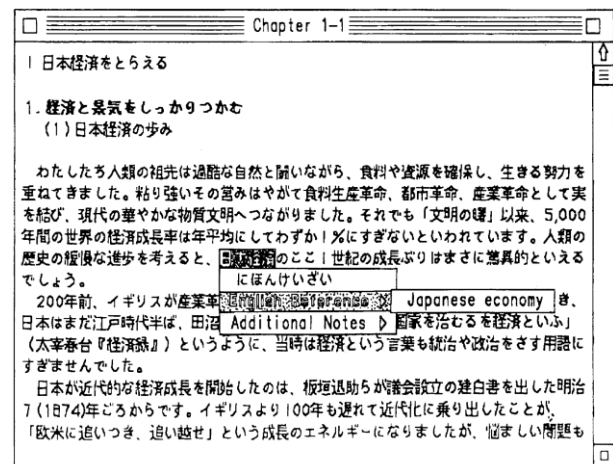
Whenever a user selects that same portion of the document, the system can display the linked content. For example, if a user clicks their mouse at offset 17 within the file (corresponding to the letter “o” in “fox”), the patented system recognizes that the location falls within the range in the look-up table for the word “fox,” and uses the “link” field in the look-up table to retrieve the linked content, displaying it to the user.

The patents provide an example in the context of translating a Japanese language document. Specifically, the patents describe a user clicking on the Japanese character at offset 25. [*Id.* at 6:46-65.] The patented system uses the look-up table to identify the external content associated with that term (in this embodiment, the English translation of the Japanese character, “Japanese economy”), and displays that linked content to the user via a pop-up window:

202

START	END	LINK
10	15	TEXT,0
17	19	PICT,100
20	27	TEXT,200
29	31	TEXT,300
32	35	SND,400

Address	Content
200	Japanese Economy



1 Claim 96 of the '731 patent recites:³

2 96. A method for linking textual source material to external reference materials
3 for display, the method comprising the steps of:

4 determining a beginning position address of textual source material stored in
5 an electronic database;

6 cutting the textual source material into a plurality of discrete pieces;

7 determining a starting point address and an ending point address of at least
8 one of the plurality of discrete pieces based upon the beginning position
9 address;

10 recording in a look up table the starting and ending point addresses;

11 **linking at least one of the plurality of discrete pieces to at least one of a**
12 **plurality of external reference materials by recording in the look-up**
13 **table, along with the starting and ending point addresses of the at**
14 **least one of the plurality of discrete pieces, a link to the at least one of**
15 **the plurality of external reference materials,** the plurality of external
16 reference materials comprising any of textual, audio, video, and picture
17 information;

18 displaying an image of the textual source material;

19 selecting a discrete portion of the displayed source material image;

20 determining a display address of the selected discrete portion;

21 converting the display address of the selected discrete portion to an offset
22 value from the beginning position address;

23 comparing the offset value with the starting and ending point addresses
24 recorded in the look-up table to identify one of the plurality of discrete
25 pieces;

26 selecting one of the plurality of external reference materials corresponding to
27 the identified one of the plurality of discrete pieces;

28 retrieving the selected one of the plurality of external reference materials
using a recorded link to the selected one of the plurality of external
reference materials; and

displaying the retrieved external reference material.

20 B. The Court's Claim Construction Order

21 The Court issued an order construing the disputed limitations of the patents-in-suit on
22 January 9, 2014. [Docket No. 66.] The Court specifically construed the "linking" limitations of
23 the patents-in-suit to require "a **pointer** to data or information or the location of data or
24 information that is external to the source material." [*Id.* (emphasis added).] During the claim
25 construction hearing, the Court noted that merely indicating that a translation for a particular
26 Japanese character exists is "not sufficient." [Docket No. 69 (Hearing Tr.) at 65:13-15.] The

27 ³ A reissue patent shows additions to the original claim in italics and deletions surrounded by
28 boldface brackets. Only the currently-operative claim language is shown here, not any
additions or deletions.

1 Court's construction required a specific "pointer" to the external content (*e.g.*, to the English
 2 translation of the Japanese-language word), rather than a vague "reference" to the fact that
 3 external content might exist, as Sentius had proposed. [*See id.* at 69:13-14.]

4 **C. The Accused Products**

5 On September 8, 2014, Sentius served an infringement report by its technical expert, Dr.
 6 Vijay K. Madiseti. [Ex.⁴ A.] The asserted claims of the reissue patents were as follows:

- 7 • For the '731 patent: claim 96
- 8 • For the '633 patent: claims 62, 64, 70, 146, 148, 149, 154, 164

9 [*Id.*, ¶ 1.] The accused products were "the 2013, 2010, and 2007 versions of Microsoft Word,
 10 Outlook, PowerPoint, OneNote and Publisher for Windows, and the 2011 versions of Microsoft
 11 Word, Outlook, and PowerPoint for Macintosh." [*Id.*, ¶ 101.] The specific accused functionalities
 12 were the background spell check, background grammar check, and "Actions" or "Smart Tags"
 13 technologies. [*Id.*, ¶ 103.]

14 The background spell check feature identifies portions of text that are potentially
 15 misspelled by underlining those portions with a red squiggle mark. When a user right-clicks on a
 16 potentially misspelled word, the spell check engine searches for and displays a list of possible
 17 correct spellings, if any are located.

18 The grammar check functionality works similarly—a green or blue squiggle mark is placed
 19 under a possible grammatical error and, when a user right clicks on that word or phrase, the
 20 grammar check engine searches for a list of potential replacements, and displays them if any are
 21 located.

22 The "Additional Actions" functionality (also referred to herein as "Actions" or "Smart
 23 Tags"), as its name suggests, allows a user to take additional actions for particular types of text.
 24 For example, Microsoft Word can identify that certain specific terms (such as "MSFT") represent
 25 stock symbols. If a user right clicks on the term "MSFT" in a document, and if the appropriate
 26 actions are enabled, the user is given various options under the "Additional Actions" menu item,
 27 including "Stock quote on MSN MoneyCentral," "Company report on MSN MoneyCentral," and
 28

1 “Recent news on MSN MoneyCentral.” Clicking one of these options will open a separate web
2 browser window and direct the user to an external web page.

3 **D. The Prior Contacts between Sentius and Microsoft**

4 With respect to willfulness, Sentius has described its contention as follows: “Sentius
5 representatives met with Microsoft representatives in 1998 to discuss the RichLink technology.
6 This meeting was with at least with [sic] Don Bradford. Subsequently, Sentius at the request of
7 Microsoft sent to Microsoft Sentius literature regarding its RichLink technology and Mikan and
8 RichLink Author products to be shared with the Microsoft Office team, the MS research lab, the
9 Internet Explorer for Windows team, and the Help team. In July, 2003, Sentius representatives
10 again met with Microsoft representatives to discuss RichLink technology including RichLink
11 Automate. This meeting was with Alay Desai. At least two Microsoft employees downloaded
12 and registered the RichLink Author tool off the web.” [See Ex. B at 6-7.]

13 At the time of these purported contacts with Microsoft in 1998 and 2003, neither of the
14 reissue patents existed; the ’731 patent issued on June 9, 2009, and the ’633 patent issued on
15 September 4, 2012. [See Docket No. 1, Exs. C & D.] Sentius did not give Microsoft pre-suit
16 notice of the reissue patents. [See Ex. C at 6.]

17 Mr. Bookman testified as Sentius’ 30(b)(6) witness about these prior contacts with
18 Microsoft, and confirmed the following two facts:

- 19 1. Any information Mr. Bookman gave to Microsoft during these meetings was
20 public, was given voluntarily, and was not subject to any confidentiality obligations
21 [Ex. D at 200:24-201:9; Ex. E at 230:24-231:5, 238:5-13, 249:25-250:13, 250:23-
22 251:10, 252:18-25]; and
- 23 2. Nothing Mr. Bookman gave to Microsoft ever mentioned any implementation
24 details, such as the claimed look-up table [Ex. D at 194:5-12; Ex. E at 255:12-17].

25 Also, by the time of the purported contact in 1998, Microsoft had already released the
26 accused background spell check and grammar check features. [See Docket No. 78, Exs. A-D.] By
27

28 ⁴ Exhibits are attached to the declaration of Jonathan J. Lamberson, filed herewith.

the time of the purported contact in 2003, Microsoft had already released the initial version of the accused smart tags feature. [See Ex. E at 253:5-7.]

III. STATEMENT OF LAW

A. Summary Judgment

Summary judgment should be granted when no reasonable jury could return a verdict for the non-moving party. See *Innova/Pure Water, Inc. v. Safari Water Filtration Sys., Inc.*, 381 F.3d 1111, 1115 (Fed. Cir. 2004). “Where no genuine issue of material fact remains and the movant is entitled to judgment as a matter of law, the court should utilize the salutary procedure of Fed. R. Civ. P. 56 to avoid unnecessary expense to the parties and wasteful utilization of the jury process and judicial resources.” *Barmag Barmer Maschinenfabrik AG v. Murata Mach., Ltd.*, 731 F.2d 831, 835 (Fed. Cir. 1984). To defeat summary judgment, “[t]he party opposing the motion must point to an evidentiary conflict created on the record at least by a counter statement of a fact or facts set forth in detail in an affidavit by a knowledgeable affiant. Mere denials or conclusory statements are insufficient.” *Id.* at 835-36.

B. Infringement

“A determination of infringement is a two-step process. The court must first construe the asserted claims and then compare the properly construed claims to the allegedly infringing devices.” *Pause Tech. LLC v. TiVo Inc.*, 419 F.3d 1326, 1335 (Fed. Cir. 2005). “The patentee must show that the accused device meets each claim limitation either literally or under the doctrine of equivalents.” *Id.* Sentius bears the burden of proving infringement by a preponderance of the evidence. See *Bayer AG v. Elan Pharma. Res. Corp.*, 212 F.3d 1241, 1247 (Fed. Cir. 2000).

1. Literal Infringement

“Literal infringement requires the patentee to prove that the accused device contains each limitation of the asserted claim(s). If any claim limitation is absent from the accused device, there is no literal infringement as a matter of law.” *Id.* (citing *Mas-Hamilton Group v. LaGard, Inc.*, 156 F.3d 1206, 1211 (Fed. Cir. 1998)).

2. Infringement under the Doctrine of Equivalents

“If an asserted claim does not literally read on an accused product, infringement may still occur under the doctrine of equivalents if there is not a substantial difference between the limitations of the claim and the accused product.” *Bayer*, 212 F.3d 1250 (citing *Warner-Jenkinson Co. v. Hilton Davis Chem. Co.*, 520 U.S. 17 (1997)).

Infringement under the doctrine of equivalents is a question of fact. *See Lockheed Martin Corp. v. Space Systems/Loral, Inc.*, 249 F.3d 1314, 1323 (Fed. Cir. 2001). However, its application is limited by various legal doctrines. *Id.* One legal limitation on the doctrine of equivalents is the “all-elements rule,” which “bars a patentee from asserting a theory of equivalence that would entirely vitiate a particular claim element.” *See Depuy Spine, Inc. v. Medtronic Sofamor Danek, Inc.*, 567 F.3d 1314, 1323 (Fed. Cir. 2009).

3. Direct Versus Indirect Infringement

“To establish liability for direct infringement of a claimed method or process under 35 U.S.C. § 271(a), a patentee must prove that each and every step of the method or process was performed.” *See Aristocrat Techs. Austl. PTY Ltd. v. Int’l Game Tech.*, 709 F.3d 1348, 1362 (Fed. Cir. 2013). “For method claims—such as those at issue here—a patent holder must establish that an accused infringer performs ‘all the steps of the claimed method, either personally or through another acting under his direction or control. Direct infringement has not been extended to cases in which multiple independent parties perform the steps of the method claim.’” *Id.*, citing *Muniauction, Inc. v. Thomson Corp.*, 532 F.3d 1318, 1330 (Fed. Cir. 2008).

“Although not directly infringing, a party may still be liable for inducement or contributory infringement of a method claim if it sells infringing devices to customers who use them in a way that directly infringes the method claim. Liability for either active inducement of infringement or for contributory infringement is dependent upon the existence of direct infringement.” *See AquaTex Indus. v. Techniche Solutions*, 419 F.3d 1374, 1379-80 (Fed. Cir. 2005) (citations omitted).

To establish liability for induced infringement, “a patent holder must prove that once the defendants knew of the patent, they actively and knowingly aided and abetted another’s direct

1 infringement. ... The mere knowledge of possible infringement by others does not amount to
 2 inducement; specific intent and action to induce infringement must be proven.” *See DSU Med.*
 3 *Corp. v. JMS Co.*, 471 F.3d 1293, 1305 (Fed. Cir. 2006) (en banc); *see also Global-Tech*
 4 *Appliances, Inc. v. SEB S.A.*, 131 S. Ct. 2060, 2068 (2011) (“induced infringement under § 271(b)
 5 requires knowledge that the induced acts constitute patent infringement”).

6 Contributory infringement is defined as follows: “[w]hoever offers to sell or sells within
 7 the United States or imports into the United States a component of a patented machine,
 8 manufacture, combination or composition, or a material or apparatus for use in practicing a
 9 patented process, constituting a material part of the invention, knowing the same to be especially
 10 made or especially adapted for use in an infringement of such patent, and not a staple article or
 11 commodity of commerce suitable for substantial noninfringing use, shall be liable as a
 12 contributory infringer.” 35 U.S.C. § 271(c). “[A] violator of § 271(c) must know ‘that the
 13 combination for which his component was especially designed was both patented and infringing.’”
 14 *See Global-Tech*, 131 S. Ct. at 2067, citing *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377
 15 U.S. 476, 488 (1964).

16 **C. Willful Infringement**

17 “[T]o establish willful infringement, a patentee must show by clear and convincing
 18 evidence that the infringer acted despite an objectively high likelihood that its actions constituted
 19 infringement of a valid patent. The state of mind of the accused infringer is not relevant to this
 20 objective inquiry. If this threshold objective standard is satisfied, the patentee must also
 21 demonstrate that this objectively-defined risk (determined by the record developed in the
 22 infringement proceeding) was either known or so obvious that it should have been known to the
 23 accused infringer.” *In re Seagate Tech., LLC*, 497 F.3d 1360, 1374 (Fed. Cir. 2007) (en banc)
 24 (internal citations omitted). The *Seagate* decision raised the standard for proving willful
 25 infringement “from one akin to negligence to that of objective recklessness.” *See Muniauction*,
 26 532 F.3d at 1323. Reasonable defenses of non-infringement and invalidity presented during
 27 litigation can preclude a finding of willful infringement. *See Advanced Fiber Techs. Trust v. J&L*
 28 *Fiber Servs.*, 674 F.3d 1365, 1377-78 (Fed. Cir. 2012).

In *American Original Corp. v. Jenkins Food Corp.*, 774 F.2d 459, 465 (Fed. Cir. 1985), the Federal Circuit held that “to willfully infringe a patent, the patent must exist.” The Federal Circuit upheld the district court’s decision that knowledge of a pending patent application, with nothing more, was insufficient to show willful infringement. *Id.*; see also *Conopco, Inc. v. May Dep’t Stores Co.*, 46 F.3d 1556, 1562 (Fed. Cir. 1994) (“In resolving the willfulness, enhanced damages, exceptional case, and attorney fees issues, the court is cautioned not to place undue reliance on defendants’ activities prior to the issuance of the patent. Although these activities may have been undertaken with knowledge that a patent application covering the [accused technology] was pending ... that is insufficient to support a finding of willfulness”).

IV. ARGUMENT

A. The Accused Background Spell and Grammar Check Functionalities Do Not Infringe Because They Do Not Use the Claimed Look-Up Table

All of the asserted claims from the reissue patents require a “look-up table” with a “link” between a word in the document and some external content. The Court construed these “linking” limitations to require, “a pointer to data or information or the location of data or information that is external to the source material.” [Docket No. 66.]

The accused background spell check and grammar check features do not employ any “pointer” stored in a “look-up table.” There is no dispute that the accused “look-up table” for these two features (referred to internally by Microsoft as a “PLC” data structure) instead stores an “error flag” – a binary value (a zero (0) or a one (1)) that indicates whether a particular location in the document is marked as potentially misspelled or potentially grammatically incorrect. In the code, this is referred to as an “fError” flag. [See Ex. A at 75 (“The error flag in cell 84 indicates that there is a potential spelling error starting with character position 112.”).] There is no dispute that the error flag, by itself, does not identify what the potential corrections are (if there even are any), or where to find them—the identification of potential corrections does not occur until after the user right-clicks on the marked word or phrase, at which point the accused products call the spelling or grammar engine, passing it the selected word or phrase. [*Id.* at 244, ¶ 326.] In the case of the spelling engine, the software then searches one or more dictionaries and uses rules to

1 determine what potential suggestions to return, if any. [*Id.* at 246, ¶ 333.] In the case of the
 2 grammar engine, the software uses grammar rules to determine potential grammatical suggestions,
 3 if any exist. [*Id.* at 248, ¶¶ 341-342.] In short, there is no “pointer” to the potential corrections—
 4 they are determined (if they exist at all) only after a user clicks on a word or phrase marked with a
 5 colored squiggle, and each time a user clicks on a potentially incorrect word the same search of the
 6 dictionaries or grammar rules must be run again.

7 There is no *genuine* dispute that a flag is not literally a “pointer.” A flag simply identifies
 8 whether something is true or false, it does not “point” to anything. One of the named inventors on
 9 the Sentius reissue patents, Brian Yamanaka, confirmed this in his deposition:

10 Q. Okay. Well, let’s say the flag is just a binary zero or a one, true
 11 or false.

12 A. Well, then **I wouldn’t consider that pointing to something.** It’s
 13 just telling me the state. ...

14 Q. If all the flag is doing is telling you the state of something and
 15 nothing else, is that a pointer? Is it pointing to something?

16 A. **No, it’s not a pointer.** ...

17 Q. I’m saying no link. I’m just saying that we have – we know a
 18 word is misspelled or not. We know it’s bolded or not. We know
 19 it’s italics or not. Each of these are pieces of state information. Just
 20 based on that, **would you call that state information a link?**

21 A. **No, I wouldn’t.** ...

22 Q. I’m saying would you need to know how – the details of the
 23 programming and how the flag is used in order to have an opinion as
 24 to whether or not the flag is pointing to something?

25 A. **If it’s a binary flag, I find it difficult to believe it can be used**
 26 **as a pointer.** It would just be an indication that I need to do
 27 something else to find out what is wrong or why it’s in that state, I
 28 should say.

[Ex. F at 17:19-23, 18:6-11, 107:10-16, 117:7-15 (emphasis added).]

There is also no *genuine* dispute that a “flag” is not equivalent to a pointer. A “flag” indicates a state: true or false. It does not provide location. It thus performs a materially different function than a pointer (merely indicating the state of some text in the document, instead of the location of something external to the document), in a materially different way (using a binary value that is the same for every potential spelling or grammatical error, rather than, for example, a memory address, file path, or other location information), to achieve a materially different result (indicating that there may be an error, versus pointing to a potential correction for that error). Indeed, Sentius’ own inventors both confirmed that the two are not interchangeable, [*Id.*; see also Ex. D at 173:2-174:12], another test for equivalency. See *Multiform Desiccants, Inc. v. Medzam Ltd.*, 133 F.3d 1473, 1480 (Fed. Cir. 1998) (“Interchangeability is a significant factor in determination of equivalency”).

The only arguments that Sentius makes to attempt to support its infringement theory are improper and must be rejected.

First, Sentius argues that the “link” in the accused products encompasses not only the flag itself, but also the starting address of the range of text in the document, shown below as a red box:

Starting Address	fError Flag
0	0
10	1
15	0

This argument is flawed, for at least two reasons. First, it improperly conflates the “link” limitation and the “starting position address” limitations. Second, and more importantly, the Court has said that the “link” must point to “data or information that is **external** to the source material.” [Docket No. 66 (emphasis added).] The starting position address in the PLC data structure at most indicates a location within the document; it does not “point” to anything external to the document.

Sentius also argues that the fError flag “points” to the spell or grammar checking dictionary because it is part of a chain of logic that ultimately calls those dictionaries. Again, as

noted above, the error flag does not “point” to anything. It indicates whether a word is potentially incorrect, but does not provide any location information. Notably, Sentius’ expert acknowledges that the accused products call the spelling and grammar engine *before* the error flag value is even set in order to determine what value to give that error flag. [Ex. I at 85:23-86:12.] In other words, the accused products are able to locate the dictionaries irrespective of any flag value. Indeed, Sentius’ expert admitted in his deposition that multiple dictionaries may be called for a given word depending on the language specified for that particular word.⁵ [*Id.* at 112:18-115:10.] It is nonsensical to say that the same binary flag value (the number “1,” indicating the presence of an error) “points” to two completely different dictionaries. This argument also contradicts the alleged benefit of using the claimed “look-up table,” which is to avoid the need to search through potentially multiple dictionaries each time a user wishes to retrieve a particular piece of external content associated with a word in the document. [*See* Ex. D at 130:3-11; Ex. F at 33:22-34:22, 35:10-36:7.]

The Court adopted a very clear and specific construction for the “linking” limitations. It did so because of the clear teachings in the patents, as well as the statements Sentius made to distinguish the prior art. The Court held that a “link” is “a **pointer** to data or information or the location of data or information that is **external** to the source material.” [Docket No. 66 (emphasis added).] There is no dispute that the accused products do not maintain a “pointer” in the accused “look-up table” to anything external to the document. They use a flag indicating the state of the text, not a pointer to any possible corrections. Thus there can be no infringement of any of the asserted claims as a matter of law.

B. Sentius Relied Upon Non-Operable Code in Office 2010 and 2013 as Allegedly Infringing the Asserted Method Claims

Sentius has accused Microsoft Office versions 2007, 2010 and 2013 as allegedly infringing the reissue patents. Sentius apparently believed at the time it prepared its expert reports that all three versions operated in the same manner. Yet with respect to the accused “actions”

⁵ For example, Spanish language text results in calling a Spanish language dictionary, whereas English language text results in calling an English language dictionary.

1 functionality, there is a fundamental difference between versions 2007 and versions 2010 and
 2 2013. Specifically, Microsoft removed the capability for Microsoft Office to look for “actions”
 3 words or phrases in the background. [*See* Little Decl., ¶ 3.] Background processing for actions
 4 can only occur in the later versions of Office by calling a separate dynamic link library (“DLL”)
 5 file—a file that Microsoft never shipped. [*Id.*, ¶ 4.]

6 This disabled code is central to Sentius’ infringement theory. Specifically, all of the
 7 asserted claims require background processing in order to identify words in the document that
 8 should be “linked” to external content, and to build the claimed “look-up table.” [*See, e.g.*, ’731
 9 patent, claim 96 (“cutting...”, “determining...”, “recording...”, “linking...”)]. Then, after the
 10 “selection” of a specific word by a user, the claims require using the “link” in the “look-up table”
 11 to locate the external content. [*See id.* (“selecting...”, “comparing...”, “retrieving...”,
 12 “displaying...”)]. The Court explicitly said that all of these limitations must be performed in
 13 order. [Docket No. 66.] In the 2010 and 2013 versions of Office, however, because there is no
 14 background processing for actions, there can be no table creation prior to the user selecting a
 15 word. Sentius’ expert acknowledged this in his deposition, confirming that based on his new-
 16 found understanding of how this feature worked, he was no longer accusing the actions
 17 functionality in Office 2010 or 2013 of infringing. [*See* Ex. I at 187:11-19.] The Court should
 18 therefore grant summary judgment that the 2010 and 2013 versions of the accused products cannot
 19 infringe the asserted claims of the reissue patents with respect to the accused “actions”
 20 functionality.

21 **C. Sentius Cannot Meet Its Burden to Prove Direct Infringement**

22 As noted above, all of the asserted claims of the Sentius reissue patents are method claims.
 23 [*See* Ex. A at 41.] For each of these claims, Sentius has alleged that Microsoft itself directly
 24 infringes by “using the accused spell check, grammar check and actions features in the accused
 25 products in the United States.” [*Id.* at 41-42, ¶ 88.]

26 Sentius has no evidence regarding Microsoft’s internal testing or usage of its accused
 27 software in the United States. Sentius’ expert cited two pieces of evidence regarding this
 28 purported usage, but neither supports his claims.

1 First, Sentius cited a job posting from the website LinkedIn that advertises a job testing
 2 Microsoft Office. [*Id.*, citing Ex. G.] The posting, however, does not state that any testing has in
 3 fact taken place, or that any similar jobs exist and have in fact been filled. It is simply a job
 4 posting. Even assuming that a similar job had been filled by someone running tests, the posting
 5 does not state what that testing was. The posting does not mention any of the accused
 6 functionalities, much less whether or how they were tested.⁶ The posting does not state what
 7 versions of Office would be tested, or what programs within Office (*i.e.*, Word, PowerPoint,
 8 Excel, Access, etc.). As noted above, only certain products, versions of products, and features are
 9 actually accused in this case. Again, even assuming the relevant features and versions had all been
 10 tested (a point on which the record is silent), the job posting does not state what actual steps were
 11 carried out in any such testing, or in what order.

12 The second piece of evidence that Sentius cites to support its claim of direct infringement
 13 is a document entitled “Proofing Tools Integration.” [Ex. H.] Sentius did not ask any witnesses
 14 about this document, and it is entirely unclear what it relates to. Importantly, the document is
 15 dated November 16, 2006, which is three years before any of the Sentius patents even issued.
 16 Sentius has no evidence about whether or when this document was ever in effect, or whether
 17 anyone ever used this document or did anything described in it. It does not show that anyone
 18 within Microsoft practiced the asserted method claims.

19 Because Sentius has no evidence that anyone within Microsoft performed the method
 20 claims of the patents-in-suit in the United States during the period of time when the patents were
 21 in force, the Court should grant summary judgment that Microsoft does not directly infringe any
 22 claims of the Sentius reissue patents.

23 **D. Sentius Cannot Meet Its Burden to Prove Pre-Suit Indirect Infringement**

24 In addition to alleging direct infringement, Sentius has also alleged that Microsoft induces
 25 and/or contributes to the infringement of its customers. [*See* Ex. A at 42-44, ¶¶ 89-91.] It is well
 26 settled, however, that for both induced and contributory infringement, the accused infringer must
 27

28 ⁶ All of the accused functionalities were originally developed, and presumably tested, years ago,
 before the Sentius patents-in-suit even existed, and long before this job posting was ever made.

1 have had actual knowledge of the asserted patents. *See Global-Tech*, 131 S. Ct. at 2068 (“we
 2 proceed on the premise that § 271(c) requires knowledge of the existence of the patent that is
 3 infringed. Based on this premise, it follows that the same knowledge is needed for induced
 4 infringement under § 271(b).”). Here, Sentius has acknowledged that it did not give Microsoft
 5 notice of the asserted patents before the filing of this lawsuit. [See Ex. C at 6.]⁷ Because
 6 Microsoft did not have actual knowledge of the patents-in-suit prior to the filing of this lawsuit,
 7 the Court should grant summary judgment that Microsoft did not induce or contribute to the
 8 infringement of anyone prior to February 22, 2013.

9 While this may seem like a relatively minor issue, it has a significant impact on the
 10 damages in this case. Specifically, as noted above, all of the asserted claims of the reissue patents
 11 are method claims. If Microsoft did not induce or contribute to the infringement of its customers
 12 prior to the filing of this lawsuit, then Sentius’ damages claims must be reduced by approximately
 13 \$125 million, or approximately 70% of its total demand.

14 **E. Sentius Cannot Meet Its Burden to Prove Willful Infringement**

15 Sentius has alleged that Microsoft’s infringement is “willful.” This allegation is an
 16 unnecessary distraction, with only one purpose: to attempt to prejudice the jury against Microsoft.
 17 Sentius’ willfulness claim fails as a matter of law, for at least two reasons. First, with respect to
 18 the purported pre-suit contacts, there is no dispute that the asserted patents did not even exist at
 19 that time. One cannot “willfully” infringe a patent that does not exist. Second, Microsoft’s good-
 20 faith defenses of non-infringement and invalidity preclude a finding of willfulness as a matter of
 21 law.

22 **1. Sentius’ Purported Pre-Suit Contacts With Microsoft Do Not Support a** 23 **Claim of Willful Infringement As a Matter of Law**

24 Sentius willfulness contention rests on two purported pre-suit contacts with Microsoft
 25 occurring in 1998 and 2003, discussed above. [See Ex. B at 6.] Yet in order to willfully infringe,
 26 Microsoft must have acted knowing that there was an objectively high likelihood that its actions
 27

28 ⁷ While its interrogatory response states that notice was given “no later than” the filing of the lawsuit, Sentius never supplemented its response to identify any earlier date.

1 infringed a valid patent. *Seagate*, 497 F.3d 1374. Microsoft could not have had the requisite
 2 knowledge given that the asserted patents did not exist at the time of these purported pre-suit
 3 contacts. *See American Original*, 774 F.2d at 465. Here, the first of the asserted patents to issue
 4 was the '731 patent in 2009—six years after the purported contacts with Microsoft. Because
 5 Microsoft could not have known of the asserted patents during its pre-suit discussions with
 6 Sentius, it could not have acted knowing it was infringing any Sentius intellectual property rights.

7 To the extent Sentius advances some new or novel theory of willful infringement that does
 8 not require knowledge of the asserted patents, there is also no dispute that there was nothing of
 9 substance discussed in either meeting between Sentius and Microsoft, insofar as willfulness is
 10 concerned. Specifically, Mr. Bookman acknowledged that he never told Microsoft anything
 11 confidential about the operation of his systems, such as whether or not they use a “look-up table.”
 12 [Ex. D at 194:5-12; Ex. E at 255:12-17.] He also confirmed that anything he sent to Microsoft
 13 was public, was given voluntarily, and was not subject to any confidentiality obligations [Ex. D at
 14 200:24-201:9; Ex. E at 230:24-231:5, 238:5-13, 249:25-250:13, 250:23-251:10, 252:18-25.]

15 Microsoft did not know about the asserted patents until this lawsuit was filed. Because
 16 nothing in the pre-suit contacts provides any basis for claiming that Microsoft willfully infringed
 17 the Sentius reissue patents, the Court should grant summary judgment of no willful infringement.

18 **2. Microsoft’s Good-Faith Defenses Preclude a Finding of Willful** 19 **Infringement as a Matter of Law**

20 As discussed above, good-faith defenses of non-infringement or invalidity presented in the
 21 litigation will also defeat a claim for willful infringement. *See Advanced Fiber*, 674 F.3d at 1377-
 22 78. This Court recently granted summary judgment of no willful infringement based on
 23 reasonable non-infringement defenses, even though the Court ultimately sent those defenses to the
 24 jury rather than granting summary judgment. *See Emblaze Ltd. v. Apple Inc.*, 2014 U.S. Dist.
 25 LEXIS 57893 at *55-56 (N.D. Cal. Apr. 24, 2014). Other courts have similarly rejected
 26 willfulness theories as a matter of law based on the presence of good faith litigation defenses. *See*,
 27 *e.g., Tarkus Imaging, Inc. v. Adobe Sys.*, 867 F. Supp. 2d 534 (D. Del. 20120); *Plumley v. Mockett*,
 28 836 F. Supp. 2d 1053, 1073-76 (C.D. Cal. 2010); *Robocast, Inc. v. Microsoft Corp.*, 2014 U.S.

1 Dist. LEXIS 22331 at *32-33 (D. Del. Feb. 21, 2014). This is a separate and independent basis
 2 upon which the Court should grant summary judgment of no willful infringement.

3 Here, Microsoft previously moved for summary judgment of invalidity under the doctrine
 4 of broadening reissue. [See Docket No. 76.] While the Court ultimately denied that motion, it did
 5 so on the basis of a reasonable dispute about whether or not Sentius corrected clerical errors in the
 6 claims, deciding to send that issue to the jury for resolution. [See Docket No. 119.] That decision
 7 is now the law of the case, and the presence of this good-faith dispute on what is ultimately a
 8 question of law defeats a finding of objective recklessness as a matter of law. *See Emblaze*, 2014
 9 U.S. Dist. LEXIS 57893 at *55, citing *Bard Peripheral Vascular, Inc. v. W.L. Gore & Assocs.*,
 10 682 F.3d 1003, 1007 (Fed. Cir. 2012) (“the objective determination of recklessness, even though
 11 predicated on underlying mixed questions of law and fact, is best decided by the judge as a
 12 question of law subject to de novo review”); *see also* Docket No. 119 at 9 (stating that “[w]hether
 13 the claims of a reissue patent violate 35 U.S.C. § 251 is a question of law predicated on underlying
 14 facts”); *id.* at 10 (noting that obviousness “is a question of law predicated on underlying questions
 15 of fact”). Moreover, Microsoft has set forth a number of good faith defenses of no infringement in
 16 this motion, as discussed above. These good-faith defenses demonstrate that even after Microsoft
 17 became aware of the Sentius patents with the filing of this lawsuit, Microsoft did not and does not
 18 believe it is infringing or encouraging anyone else to infringe valid patents.⁸

19 Importantly, both of the reissue patents are now expired. Thus to the extent Sentius alleges
 20 willful infringement, that allegation could only cover a time period from February 22, 2013 (the
 21 filing of this lawsuit) to February 16, 2014 (the patents’ expiration date). That time period ended
 22 **before** the Court ruled on Microsoft’s invalidity summary judgment motion. [See Docket
 23 No. 119.] While that motion was pending, Sentius cannot possibly suggest that Microsoft’s belief
 24 in invalidity was not in good faith. Also, Sentius did not seek a preliminary injunction, another
 25 precursor to a finding post-suit willful infringement. *See Seagate*, 497 F.3d at 1374. Thus the
 26
 27

28 ⁸ While not presented here, Microsoft has also raised defenses of anticipation and obviousness
 for the reissue patents based upon its own prior art software.

1 Court should grant summary judgment that Microsoft has not willfully infringed the asserted
 2 Sentius patents.

3 **V. CONCLUSION**

4 For the reasons discussed above, Microsoft respectfully requests that the Court grant its
 5 motion and find that (1) the accused background spell and grammar check features do not infringe
 6 the Sentius reissue patents because they do not use a “look-up table” with a “pointer” as claimed;
 7 (2) the accused “actions” feature in Office 2010 and 2013 does not infringe because there is no
 8 creation of a “look-up table” prior to user selection of a word; (3) Sentius has not met its burden to
 9 show direct infringement because it has no evidence that Microsoft itself practiced the method
 10 steps of the Sentius reissue patents; (4) Sentius has not met its burden to show that Microsoft
 11 indirectly infringed the reissue patents prior to the filing of this lawsuit because Microsoft had no
 12 knowledge of the asserted patents prior to that date; and (5) Sentius cannot show willfulness as a
 13 matter of law because it cannot show either subjective or objective recklessness.

14
 15 Dated: December 2, 2014

FISH & RICHARDSON P.C.

16 By: s/ Jonathan J. Lamberson
 17 Jonathan J. Lamberson

18 Attorneys for Defendant
 MICROSOFT CORPORATION

19 *Additional Counsel*

20 Jonathan J. Lamberson (SBN 239107)
 lamberson@fr.com
 21 FISH & RICHARDSON P.C.
 500 Arguello Street, Suite 500
 22 Redwood City, CA 94063
 Telephone: (650) 839-5070
 23 Facsimile: (650) 839-5071

24 Isabella Fu (SBN 154677)
 Isabella.fu@microsoft.com
 25 MICROSOFT CORPORATION
 One Microsoft Way
 26 Redmond, WA 98052
 Telephone: (425) 882-8080
 27 Facsimile: (425) 936-7329

28 50968292.doc